

“CUSTOMER PERCEPTION AND SATISFACTION OF LIC”

[A STUDY SPECIALISED IN ALATHUR THALUK PALAKKAD]

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Introduction

A few private insurance companies have already launched their operations while some more are preparing themselves to start soon. The private parties are bringing with them international experience, new technology, new channels of distributions besides of course new products. Insurance deals with a very basic human need –the need for security. Insurance helps to smoothen out the economic impact of sudden external shocks for households and enterprice.In that sense, it is the very core of economic activity. The Indian insurance industry which until now was a controlled sector, with only one player for the last 5 decades , has suddenly turned itself into a battleground .Though the sector remind in the strong clutches of the government enterprises , the growth has been slow. Prior to liberalisation the regulatory environment was primarily based on consolidated provisions of the insurance act 1938.The controller of advising , prohibiting inspecting, investigation, searching, seizing, prosecuting, and penalizing, authorising, registering amalgamating and liquidating insurance companies.

Review of literature

CUSTOMER SERVICE CENTER [2003] discussed the strategic importance of the customer service centre in building best performance for insurers. It was observed that between 1/5 and 1/3 Americans were unhappy with their insurance companies.

HARRIS INTERACTIVE Inc.[2003] conducted a study to know the perception of respondents towards the life insurance policies. It was observed that only 67 per cent of females and 57 per cent of males had positive attitudes towards business practices of Insurance Corporation.

Objectives

- To know about the strategies adopted by the L I C to improve the customer satisfaction and perception of them.
- To know the opinion of customers about the working of L I C.
- To find about the eminent policies available under L I C.

Methodology of study

To conduct the research I collected the data through primary and secondary data. The sample for the study was selected from L I C in Alathur Thaluk palakkad district Kerala.

Sampling details

Sampling method

The research was made in accordance with the policy holders and agents of that company.

Sampling unit

The sampling area is Life Insurance Limited in Alathur Thaluk Palakkad District Kerala.

Sampling element

Manager Asst.Manager, agents , customers etc.

About L I C

Life insurance Corporation of India [LIC] is an Indian state owned insurance group and Investment Company headquartered in Mumbai. It is the largest insurance company in India. The insurance corporation of India was founded in 1956 when the parliament of India passed the Life insurance of India Act that nationalised the private insurance industry in India. The main objectives of life insurance corporation is to spread life insurance widely and in particular to the rural areas and to the socially and economically backward classes with a view to reaching all insurable persons in the country and providing them adequate financial cover against death at reasonable cause.

Different schemes under L I C

- Single premium endowment plan .
- New endowment plan.
- New Jeevan Anand.
- Jeevan Rakshak.
- Limited premium endowment plan.
- Jeevan Lakshya.
- New money back plan 20 years.
- New money back plan -25 years.
- New Bima Bachat.
- New children's money back plan.
- Jeevan Tarun.

The authorised banks that are authorised to collect the L I C premium

- HDFC bank
- ICICI bank
- Bank of Punjab
- UTI bank
- Federal bank
- Corporation bank
- Citi bank.

The life insurance mix

The marketing mix is the combination of marketing activities that an organization engages in so as to best meet the needs of its targeted market.

The insurance business deals in selling services and , therefore due weight- age in the formation of marketing mix for the insurance business is needed.

Elements of life insurance mix

- ✚ Product
- ✚ Price
- ✚ Place
- ✚ Promotion
- ✚ People
- ✚ Process

✚ Physical evidence.

What kind of life insurance policy do you have?

Unit-link plans were by far the most popular form of insurance among the respondents. On the other hand, very few people took whole life policy.

Perhaps this is because many people are not aware of such plans or don't know about their features.

ULIP	38%
Term insurance	9%
Money -back	19%
Endowment insurance	12%
Children policy	5%
Pension plan	10%
Whole life	7%

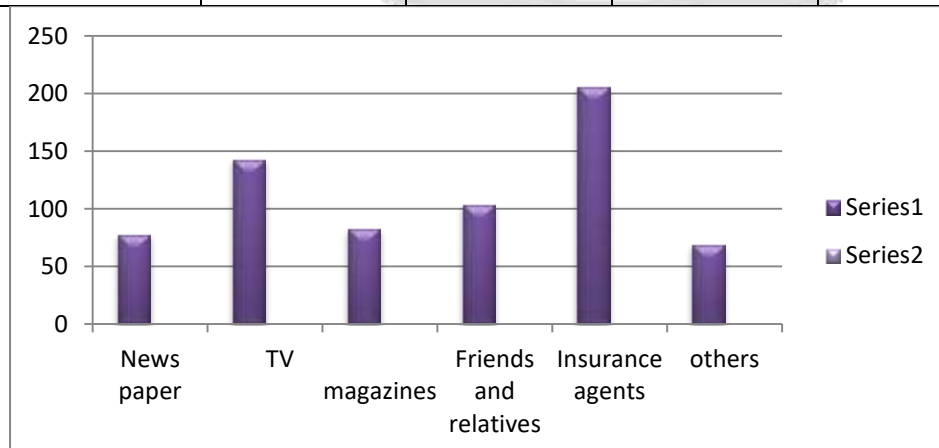
Awareness of Life insurance companies

Awareness about life insurance concept is quit high in general. But awareness about new private companies is not very high in comparison to LIC. LIC has been working in life insurance sector for more than 50 years. That's why awareness' about LIC is quite high.

Source of life insurance

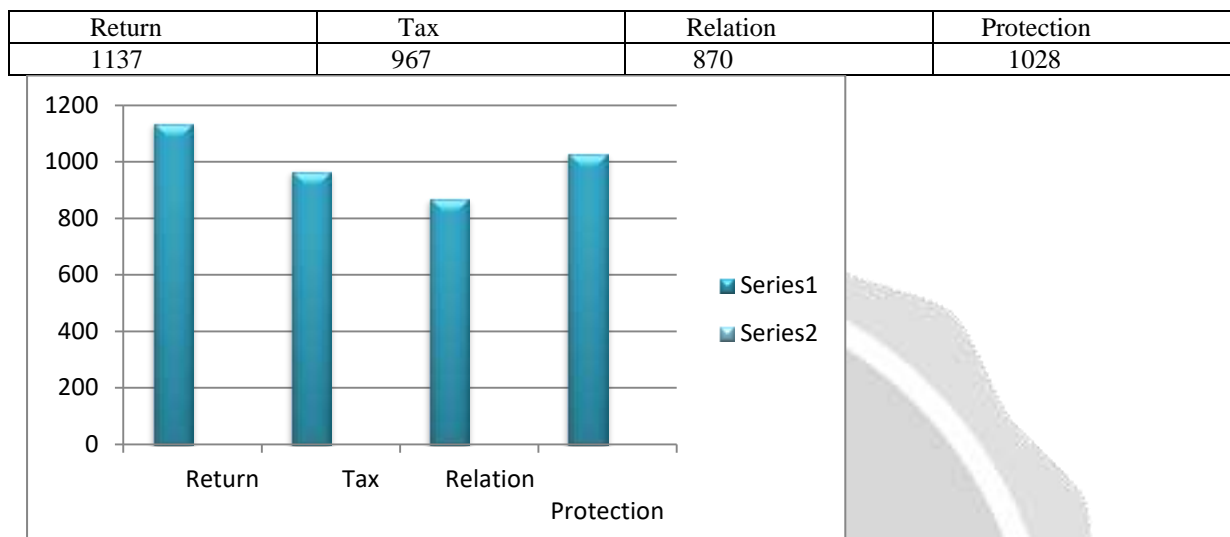
Life insurance agent plays important role informing people about life insurance. Whenever an individual, search for information linked with life insurance agent who can guide him to take a product as per his need.

News paper	TV	magazines	Friends relatives and	Insurance agents	others
78	143	83	104	206	69



CRITERIA TO TAKE LIFE INSURANCE

As per the survey, people buy life insurance mostly for investment purpose. Yet, main purpose of life insurance is risk cover. Second option as per the survey is risk cover of the life.



There are many who question the need for life insurance. To most of us the meaning of life insurance can be summed up as “if die, my family gets money”. In an age of information, we must accept that this limited view will there for lead to a lot of misconceptions. Some feel that in an age where relative incomes are steeply rising and inflation reduces the present worth of money, the future value of the sum assured under a life policy is rendered insignificant. There is also another category fortunately not too large through , that does not feel the need to secure the future of their departments. life insurance is a funny product. People buy it for the strangest reasons. in no particular order, I have listed a few.

Findings

- ✓ There are eminent strategies are used by the L I C to attain the consumer satisfaction and also the customer perception.
- ✓ The customers are giving different opinions about the working of L I C and they also provide some suggestions about the working of them also.
- ✓ There are number of eminent policies are available under L I C>

Suggestions

- ❖ Life insurance corporations can be concentrate on rural areas and make available benefit to the undeveloped areas also.
- ❖ Life insurance corporations didn't follow the money value time to time, so can be consider the money value according to the time.
- ❖ Policies can be make available the benefit to the charities ,so that can be make charities as nominees.

CONCLUSION

Insurance stems on three pillars; consumers who are willing to buy insurance at an affordable price considering their needs, insurance companies who design the right products and attempt innovations in them besides managing the investment portfolio reaching to reforms in other financial sector segments and finally the regulator who create an atmosphere for the smooth functioning of the market with a bias towards protecting the policyholders interest.

As per the analysis, companies are trying to offer different products but they are serving same kind of services like death claim, grievances handling, causation of policy.etc... there is need to develop stringent rules and

regulations for these companies so that they cannot cheat the customer . Claim settlement, premium and hassle free services dimensions are kept on top priority of the customers and the marketing strategy model has been developed taking in to account these dimensions so that customer can be delighted.

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